

Ron Buckhalt  
Manager, BioPreferred Program  
U.S Department of Agriculture  
342 Reporters Building  
300 7th St. S.W.  
Washington, DC 20024

Dear Mr. Buckhalt:

This letter is sent in response to your request for documentation of the process to determine whether mature markets exist for the biobased products covered in the eighth round of product category designations.

Throughout the development phase of this program, Iowa State University representatives have been in direct contact with personnel from manufacturing sales and management, manufacturing associations, and industry researchers. Communications with these stakeholders support our conclusion that while the concept of products based on renewable resources is not a new one, the majority of manufacturers producing biobased products are relatively new to the market. At this point we have not explicitly asked manufacturers to tell us if they had a national market share in 1972, however, this could be added to our process in the future if USDA makes it a requirement.

The following actions have been taken to identify the market status for eighth round product categories.

**Agricultural Spray Adjuvants** - The majority of companies in this item were established in the 1980's and 1990's, although some of them started as early as 1859. Most of the bio-based products in this item were only produced in the 1990s.

**Animal Cleaning Products**– The earliest animal cleaning product manufacturer was founded in 1911. The earliest production of a biobased product occurred in 1960.

**Deodorants** – Most of these deodorant companies were founded in the 1980's and 1990's and a large percentage started their bio-based products at the same time.

**Dethatchers**– The first company identified making dethatchers was founded in 1971 and has been producing biobased products since its founding date. Other companies were founded in the 1980s or 1990s and most began biobased production within ten years of this date.

**Fuel Conditioners** – While a few of the companies identified in this item have been in existence since before 1930, most of them did not enter the biobased product industry until after 1990.

**Leather, Vinyl, and Rubber Care Products**– The companies producing this item started business in the second half of the 20<sup>th</sup> century with a large number concentrated in the 70's, 80's and 90's. Most of these companies produced bio-based products at the start of their foundation.

**Lotions and Moisturizers** – Companies identified distributing biobased lotions and moisturizers for the most part were founded after the year 1980. Most of them also did not begin working with biobased products until after 1990.

**Shaving Products**– The first company generating shaving products was founded in 1886 while the first biobased shaving product was produced in 1921.

**Specialty Precision Cleaners and Solvents** – The first company in this item was founded in 1981. The earliest production in this area began in 1983.

**Sun Care Products**– The earliest company producing sun care products was founded in 1879 but it is unknown when this company began manufacturing biobased products. The earliest production in this area began in 1992.

**Wastewater Systems Coatings**– Currently, only 3 companies produced this item. These three companies started in 1989, 1990, and 1992. The latter two didn't start producing bio-based products until 2007 and 2008 while the other started in 1989.

**Water Clarifying Agents** – Most of the aquaculture producing companies were founded in the 1990s, as well as their bio-based products.

Based on this information we feel all of the proposed items qualify as new market development and should be included in the designation ruling. However, if USDA finds it necessary to have confirmation from individual companies, we would be happy to reallocate a portion of this year's testing funds to support this activity.

Sincerely,

A handwritten signature in cursive script, reading "Rudy Pruszkowski".

Rudy Pruszkowski  
6/4/2012